

**HON. MARCY KAPTUR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
WEDNESDAY, JULY 12, 2006**

Ms. KAPTUR. Mr. Speaker, newspapers across the world today carry the story that China has hit a new record in terms of its exports to countries like the United States. Surges in exports all over the world demonstrate that since last year, the Chinese have actually increased their exports by over 25 percent, and since the beginning of this year by 55 percent. Truly, this Nation is the dump market of the world. We are absorbing everybody else's imports, and nations like China are not taking as many exports as they could from us in order that we have a balanced trade account. Newspapers like the Toronto Star indicate that this new record surpasses the record that was set last month in May.

As you think about the outsourcing of jobs in the United States of America, going to Mexico, going to China, it is very interesting that the United States is cashing itself out in order to float its currency and its borrowings during this period of time when the Bush administration and its allies here in the Congress are driving us into deeper and deeper debt, more and more borrowing. This is a reciprocal of that kind of phony economy here at home.

In China, even the Chinese admit that that country needs to rely more on domestic demand, selling things inside their own country rather than exporting everything to the United States. And if China's industrial boom, and they grew about 10 percent since the beginning of this year, is to be sustained, they have to start selling to their own people.

Years ago, they said the answer to the trade issues with the Asian countries, the Asian tigers, is to manipulate the currency rate. So you hear a lot of discussion in this country about the Treasury trying to rig the relationship between the yuan in China and the U.S. dollar. But the facts are that the United States is in a huge trade deficit with almost every other industrial country in the world, and we are having to borrow in order to float the borrowings that we are doing on the trade accounts in order to sustain the hollowing out of our economy.

Recently Maytag announced its closure in the State of Iowa. All the way back to when Goodyear first closed in Los Angeles, we have a reborn steel industry. Our steel industry was killed back in the 1980s, but guess what. It has been reborn all through foreign ownership. We don't even own it anymore. Won't the American people recognize what is happening to the real wealth creation of this country?

I do not want America to be owned by transnational corporations that have no loyalty to the United States of America and the values for which we stand. This is the latest example of why we never should have had permanent normal trade relations passed with China, because it only digs us deeper and deeper and deeper into debt. Our people do not have good middle-class jobs. They cannot hang on to their pensions. Their health benefits increase in cost. And we literally are making our children, as graduates of the colleges across this country, debtors, because we cannot even pay the educational bills of the next generation. What a sorry state to begin this new millennium and this 21st century here in the United States of America.

I am deeply distraught by these latest numbers from China, and surely, at a minimum, Members of Congress should sponsor my Trade Balancing Act of 2006, which basically says to any Presidential administration, if we have more than \$10 billion of debt in trade with any nation in the world, we ought to go back and figure out why we do and then renegotiate those trade agreements.

We cannot depend on fiddling around with currency manipulation because they told us if we did that with Japan back in the 1980s, our accounts would just look terrific. If the dollar and the yen came into balance, the trade accounts would heal. But guess what. They never did because you know why? Japan never opened its market to our goods. And neither will China. So you have to deal with the Asian tigers in a different way. Surely, this should be a wake-up call to the American people. Surely, this should be a wake-up call to the Members of this Congress who could change the trade laws of this country in order to create a balanced trading environment, a level playing field where our businesses, where our workers, where our communities have a chance to compete again.